

106TH CONGRESS
2D SESSION

S. 1854

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 23, 2000

Referred to the Committee on the Judiciary

AN ACT

To reform the Hart-Scott-Rodino Antitrust Improvements
Act of 1976.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “21st Century Acquisi-
5 tion Reform and Improvement Act of 2000”.

1 **SEC. 2. MODIFICATION OF NOTIFICATION REQUIREMENT.**

2 Section 7A(a) of the Clayton Act (15 U.S.C. 18a(a))
3 is amended to read as follows:

4 “(a) Except as exempted pursuant to subsection (c),
5 no person shall acquire, directly or indirectly, any voting
6 securities or assets of any other person, unless both per-
7 sons (or in the case of a tender offer, the acquiring person)
8 file notification pursuant to rules under subsection (d)(1)
9 and the waiting period described in subsection (b)(1) has
10 expired, if—

11 “(1) the acquiring person, or the person whose
12 voting securities or assets are being acquired, is en-
13 gaged in commerce or in any activity affecting com-
14 merce; and

15 “(2) as a result of such acquisition, the acquir-
16 ing person would hold an aggregate total amount of
17 the voting securities and assets of the acquired
18 person—

19 “(A) in excess of \$200,000,000 (as ad-
20 justed and published for the first fiscal year be-
21 ginning after September 30, 2002, and each
22 third fiscal year thereafter, in the same manner
23 as provided in section 8(a)(5) of this Act to re-
24 flect the percentage change in the gross na-
25 tional product for such fiscal year compared to

1 the gross national product for the year ending
2 September 30, 2001); or

3 “(B)(i) in excess of \$50,000,000 (as so ad-
4 justed and published) but not in excess of
5 \$200,000,000 (as so adjusted and published);
6 and

7 “(ii)(I) any voting securities or assets of a
8 person engaged in manufacturing which has an-
9 nual net sales or total assets of \$10,000,000
10 (as so adjusted and published) or more are
11 being acquired by any person which has total
12 assets or annual net sales of \$100,000,000 (as
13 so adjusted and published) or more;

14 “(II) any voting securities or assets of a
15 person not engaged in manufacturing which has
16 total assets of \$10,000,000 (as so adjusted and
17 published) or more are being acquired by any
18 person which has total assets or annual net
19 sales of \$100,000,000 (as so adjusted and pub-
20 lished) or more; or

21 “(III) any voting securities or assets of a
22 person with total assets or annual net sales of
23 \$100,000,000 (as so adjusted and published) or
24 more are being acquired by any person with

1 total assets or annual net sales of \$10,000,000
 2 (as so adjusted and published) or more.

3 In the case of a tender offer, the person whose voting secu-
 4 rities are sought to be acquired by a person required to
 5 file notification under this subsection shall file notification
 6 pursuant to rules under subsection (d).”.

7 **SEC. 3. INFORMATION AND DOCUMENTARY REQUESTS.**

8 Section 7A(e)(1) of the Clayton Act (15 U.S.C.
 9 18a(e)(1)) is amended—

10 (1) by inserting “(A)” after “(1)”; and

11 (2) by adding at the end the following:

12 “(B)(i) The Assistant Attorney General and the Fed-
 13 eral Trade Commission shall each designate a senior offi-
 14 cial who does not have direct responsibility for the review
 15 of any enforcement recommendation under this section
 16 concerning the transaction at issue to hear any petition
 17 filed by such person to determine—

18 “(I) whether the request for additional informa-
 19 tion or documentary material is unreasonably cumu-
 20 lative, unduly burdensome, or duplicative; or

21 “(II) whether the request for additional infor-
 22 mation or documentary material has been substan-
 23 tially complied with by the petitioning person.

24 “(ii) Internal review procedures for petitions filed
 25 pursuant to clause (i) shall include reasonable deadlines

1 for expedited review of such petitions, after reasonable ne-
2 gotiations with investigative staff, in order to avoid undue
3 delay of the merger review process.

4 “(iii) Not later than 90 days after the date of the
5 enactment of the 21st Century Acquisition Reform and
6 Improvement Act of 2000, the Assistant Attorney General
7 and the Federal Trade Commission shall conduct an inter-
8 nal review and implement reforms of the merger review
9 process in order to eliminate unnecessary burden, remove
10 costly duplication, and eliminate undue delay, in order to
11 achieve a more effective and more efficient merger review
12 process.

13 “(iv) Not later than 120 days after the date of the
14 enactment of the 21st Century Acquisition Reform and
15 Improvement Act of 2000, the Assistant Attorney General
16 and the Federal Trade Commission shall issue or amend
17 their respective industry guidance, regulations, operating
18 manuals, and relevant policy documents, to the extent ap-
19 propriate, to implement each reform in this subparagraph.

20 “(v) Not later than 180 days after the date of the
21 enactment of the 21st Century Acquisition Reform and
22 Improvement Act of 2000, the Assistant Attorney General
23 and the Federal Trade Commission shall each report to
24 Congress—

1 “(I) which reforms each agency has adopted
2 under this subparagraph;

3 “(II) which steps each agency has taken to im-
4 plement internal reforms under this subparagraph;
5 and

6 “(III) the effects of such reforms.”.

7 **SEC. 4. CALCULATION OF TIME PERIODS.**

8 Section 7A of the Clayton Act (15 U.S.C. 18a) is
9 amended—

10 (1) in subsection (e)(2), by striking “20 days”
11 and inserting “30 days”; and

12 (2) by adding at the end the following:

13 “(k) If the end of any period of time provided in this
14 section falls on a Saturday, Sunday, or legal public holiday
15 (as defined in section 6103(a) of title 5, United States
16 Code), then such period shall be extended to the end of
17 the next day that is not a Saturday, Sunday, or legal pub-
18 lic holiday.”.

19 **SEC. 5. ADDITIONAL REQUIREMENTS FOR ANNUAL**
20 **REPORTS.**

21 Section 7A(j) of the Clayton Act (15 U.S.C. 18a(j))
22 is amended—

23 (1) by inserting “(1)” after “(j)”; and

24 (2) by adding at the end the following:

1 “(2) Beginning with the report filed in 2001, the
2 Federal Trade Commission, in consultation with the As-
3 sistant Attorney General, shall include in the report to
4 Congress required by this subsection—

5 “(A) the number of notifications filed under
6 this section;

7 “(B) the number of notifications filed in which
8 the Assistant Attorney General or Federal Trade
9 Commission requested the submission of additional
10 information or documentary material relevant to the
11 proposed acquisition;

12 “(C) data relating to the length of time for par-
13 ties to comply with requests for the submission of
14 additional information or documentary material rel-
15 evant to the proposed acquisition;

16 “(D) the number of petitions filed pursuant to
17 rules and regulations promulgated under this Act re-
18 garding a request for the submission of additional
19 information or documentary material relevant to the
20 proposed acquisition and the manner in which such
21 petitions were resolved;

22 “(E) data relating to the volume (in number of
23 boxes or pages) of materials submitted pursuant to
24 requests for additional information or documentary
25 material; and

1 “(F) the number of notifications filed in which
 2 a request for additional information or documentary
 3 materials was made but never complied with prior to
 4 resolution of the case.”.

5 **SEC. 6. CONFORMING AMENDMENTS TO CERTAIN REGULA-**
 6 **TIONS.**

7 (a) IN GENERAL.—The thresholds established by rule
 8 and promulgated as 16 C.F.R. 802.20 shall be adjusted
 9 by the Federal Trade Commission on January 1, 2003,
 10 and each third year thereafter, in the same manner as is
 11 set forth in section 8(a)(5) of the Clayton Act (15 U.S.C.
 12 19(a)(5)). The adjusted amount shall be rounded to the
 13 nearest \$1,000,000.

14 (b) PUBLICATION.—As soon as practicable, but not
 15 later than January 31, 2003, and each third year there-
 16 after, the Federal Trade Commission shall publish the ad-
 17 justed amount required by this subsection (a).

18 **SEC. 7. EFFECTIVE DATE.**

19 This Act, and the amendments made by this Act,
 20 shall take effect on the first day of the first month that
 21 begins more than 30 days after the date of the enactment
 22 of this Act.

 Passed the Senate October 19 (legislative day, Sep-
 tember 22), 2000.

Attest:

GARY SISCO,
Secretary.